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and her present, the awakened attention to her needs, and earnest effort to meet these, will finally bring forth a solution of the problem that will be in keeping with her true destiny. What her agricultural classes are now most in need of is an intelligent cultivation of the soil which can meet the exigencies of competition, a fair and sensible legislation such as will not hinder but further initiative, and associations among the peasants themselves which will effectively watch their interests and break the baneful power of the *bande noire*, the crowd of agents, speculators, money-lenders, and solicitors against whom the peasant class battles furiously, but, as it seems, as yet unavailingly.

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Die Ergebnisse und die Aussichten der Personaleinkommensteuer in Österreich. By FRIEDRICH FREIHERR VON WIESER. Leipzig: Duncker & Humblot, 1901. 8vo, pp. 147.

THIS elaborate statistical study was written for the purpose of bringing about an improvement in the assessment of the new income tax in Austria. It was a delicate task the author set himself, and he has discharged it with no little skill. The two assessments of the income tax, the first made in 1898 and the second in 1899, were both disappointing; at least to the national pride of Austria, for they showed, apparently, that the people of the empire were poorer than those of Prussia and of the other nations which have a similar tax on incomes. Thus, for example, there were in Austria, in 1899, only 29.56 persons assessed for the income tax in every 1,000 of the population, while for the same year there were 93.96 contributants in every 1,000 in Prussia. Or, to take another comparison, there were in Prussia 71,202 persons whose income exceeded 9,500 marks, while in Austria there were only 18,497 persons who reported an income of over 6,000 gulden, the nearest equivalent grade. To explain away these returns without either admitting that the Prussian people are nearly three times as wealthy as the Austrian, or directly blaming the administration for laxity in assessment, was a task which taxed the ingenuity of the patriotic Austrian writer. He has accomplished this task by taking refuge behind the statistics and by letting them, so far as possible, speak for themselves. This it is apparently which makes it necessary for the author to reveal to us, as he does with great minuteness, the entire

machinery of his investigation. As a result the essay reminds us not a little of a fine French clock with glass sides, for every wheel and cog, all the gearing, and the many fine chains in his argument are in plain sight. He asks us for no confidence, and assumes no responsibility for his opinions. Everything is worked out before us like a sum in arithmetic. The harshest phrase of condemnation that the author allows himself to use toward the administration, even when the statistics or the impersonal machinery of his investigation show at least a lamentable failure in the assessment to reach all classes of persons subject to the tax, is that the "technique of the assessment is still in its baby socks;" and even this, he is careful to tell us, is quoted from an essay by an officer of the treasury department, and thus has, in a measure, the endorsement of the administration itself (p. 5).

The study consists mainly in a close comparison of the results of the Austrian assessment for the income tax with that of Prussia. This method is possible and all the more profitable because the two taxes correspond very closely in principle, in form, and even in the graduation of the rates.

The rate of the Prussian income tax averaged, in 1898, 2.01 per cent. of all incomes assessed; in 1899, 2.02 per cent.; while the Austrian averaged 1.93 per cent. and 1.91 per cent. respectively in the same years. To that extent it would appear that the lower rate favored a fuller assessment in Austria than in Prussia. But the Prussian rate, it will be remembered, rises in broken progression, that is, the rate becomes nearly proportional at 3 per cent. for all incomes from 9,500 marks to 30,500 marks and strictly proportional at 4 per cent. for all incomes over 100,000 marks; while the Austrian rate is a regular degressive rate which approaches 5 per cent. as a limit. This makes the Austrian rate higher for the larger incomes than in Prussia, and to that extent militates against as complete an assessment in the higher grades.

If the wealth of Austria, or the tax-paying capacity (*Steuerkraft*), were the same as that of Prussia the income tax would have yielded 53,000,000 gulden (p. 22); it did yield only 23,000,000 gulden (p. 25). To explain this difference is the main purpose of the author. By reference to the relative proportions of city and rural population in Austria and the known lower tax-paying capacity of the rural districts, as shown by the experience of Prussia, the author reaches the conclusion that this total may reasonably be reduced to about 39,000,000

gulden (p. 25). This he maintains is the highest return that it is possible to obtain. But this is 16,000,000 gulden above the actual returns, and it is this difference which has to be accounted for by the weakness of the assessment.

Comparing the assessment of Vienna with that of Berlin, the author finds that the income tax-payers form a larger percentage of the total population in the latter in all but two grades (namely, those reaching together from 1,000 fl. to 3,600 fl.), and that the total number of tax-payers is 14.98 per cent. of the total population in Berlin as against 13.35 per cent. in Vienna (p. 34). Indeed, he finds that Vienna compares more closely with the Prussian cities of from 50,000 to 100,000 people (p. 37). The conclusion, reached after many fine adjustments, is that the assessment in Vienna is from 15 per cent. to 20 per cent. below the truth. Still he takes the opportunity to congratulate the administration on the "*schöne Erfolg*" of the second assessment of so intricate a tax in that city (p. 41).

When he comes to the smaller cities he finds the assessment far less satisfactory. Only 8.31 per cent. of the population are on the rolls, as against 10.57 per cent. even in the "poverty stricken cities of East Prussia," and 16.36 per cent. in those of West Prussia (p. 53). But worse still are the conditions which are revealed in the rural districts. There he finds that the rural districts of East Prussia show three times as large a proportion of tax-payers, three and a half times as much taxable income per capita, and nearly four and a half times as much taxes paid per capita as in rural Austria. That is, taking the assessment in East Prussia—the poorest district, as represented by the returns of the income tax—as the lowest *niveau* to which the assessment in the rural districts of Austria should rise, he finds that not more than one-third of the taxable citizens made any return (p. 67). Stated in another form, every resident of Vienna paid as much toward the income tax as thirty-six countrymen in Austria, while a resident of Berlin paid only as much as seven countrymen in Prussia (p. 27). Many other comparisons, equally instructive, are worked out in great detail, and the conclusion seems irresistible that the assessment was very faulty outside of the great cities.

The essay closes with an estimate of the proper returns to be expected in each of the different sections of the empire and from the different classes, and with a vigorous plea for an improved assessment in the future. He is still hopeful that the introduction of the income tax

can be made to work a substantial reform in the Austrian tax system, and to afford relief from other taxes which are more burdensome.

In spite of the whirl of the statistical machinery, which occasionally distracts the reader's attention from the main line of thought, the essay is very interesting, and contains much information that will appeal to the general student of economic conditions, as well as to the student of taxation.

CARL C. PLEHN.

The Anthracite Coal Industry: A Study of the Economic Conditions and Relations of the Co-operative Forces in the Development of the Anthracite Coal Industry of Pennsylvania. By PETER ROBERTS, (With an Introduction by W. G. SUMMER.) New York: The Macmillan Company, 1901. 8vo, pp. xiii + 261.

A FIELD of economic history but little cultivated as yet, but one which promises as fruitful results as are likely to be realized on the historical side of economics, lies in the study of the development of the more important industries of the country. Such a study one would expect to disclose in concrete form the operation of economic forces, show the stages of development through which the industry has passed, the relation of the industry in hand to general industrial development, and such a picture of present conditions and tendencies as would make possible some generalizations as to the future.

The volume before us, dealing with an industry which from the beginning has been full of interest because of the many problems of industrial organization it has presented, and because of the picturesque way in which it has frequently met them, only partially meets these expectations. The author, it is true, disclaims the purpose of dealing with all phases of his subject, and has reserved for a second volume (to appear in the near future) the treatment of the "social and moral conditions prevailing" in the region. We may assume, therefore, that he has completed his study of the economic side of the industry, and with this in mind one may well express disappointment with the book.

The first two chapters deal with the deposits and the methods employed in developing the coal beds. Nowhere can be found so clear